

## MEMORANDUM

**DATE:** October 29, 2019

**To:** Marcus Martinez, Associate Planner, City of Hayward

**FROM:** Theresa Wallace, AICP, Principal  
Matthew Wiswell, Project Manager

**SUBJECT:** Costco Business Center Fuel Facility Project Initial Study/Mitigated Negative Declaration – Response to Comments

In accordance with Section 15074 of the CEQA Guidelines, prior to approving a project, the decision-making body of the lead agency shall consider the proposed environmental document together with any comments received during the public review process. Although there is no legal requirement to formally respond to comments on a Draft Mitigated Negative Declaration (MND) as there is for a Draft Environmental Impact Report (EIR), this memorandum provides a response to the written comments received on the Costco Business Center Fuel Facility Project Draft Initial Study/Mitigated Negative Declaration (IS/MND) to aid the City of Hayward decision-makers in their review of the project.

The Draft IS/MND was available for public review and comment from September 27, 2019 to October 17, 2019. Two comment letters were received on the Draft IS/MND. Responses to the substantive issues raised by the commenters are provided below, and copies of the comment letters are included as an attachment. The comments and responses are enumerated to allow for cross-referencing of CEQA-related comments. As noted above, CEQA does not require or provide guidance on responding to comments on MNDs; therefore, this memorandum follows CEQA Guidelines Section 15088, applicable to responses to comments on EIRs, which requires that agencies respond only to significant environmental issues raised in connection with the project. Therefore, this document focuses primarily on responding to comments that relate to the adequacy of the information and environmental analysis provided in the IS/MND.

### COMMENT LETTERS

This memorandum includes a reproduction of each comment letter received on the IS/MND. Each comment letter is assigned a letter (A, B, C, etc.), and individual comments within each letter are numbered consecutively. For instance, comment A-1 is the first numbered comment in Letter A.

The following comment letters on the IS/MND were submitted to the City:

**LETTER A**

East Bay Municipal Utility District, David Rehnstrom, Manager of Water Distribution Planning  
October 11, 2019

**LETTER B**

Daljit Singh  
October 2, 2019

**RESPONSES**

Written responses to all written comments on the IS/MND are provided in this section. Comment letters received on the IS/MND are provided in their entirety in Attachment A. Responses keyed to the specific comments in each letter are provided below. Please note that text that does not raise environmental issues or relate to the adequacy of the information or analysis within the IS/MND has not been enumerated as no response is required, per CEQA Guidelines Section 15132.

**Letter A**

East Bay Municipal Utility District, David Rehnstrom, Manager of Water Distribution Planning  
October 11, 2019

Response A-1: This introductory comment is noted.

Response A-2: This comment indicates that the project site is located outside of the East Bay Municipal Utility District (EBMUD) service area, and that an EBMUD regional intertie is located south of the project within the West A Street right-of-way. The comment also notes that the proposed project would not affect this intertie, however, it may be affected if project plans are altered. This comment, which does not relate to the adequacy of the information or analysis in the Draft IS/MND, is noted. No further response is required.

**Letter B**

Daljit Singh  
October 2, 2019

Response B-1: This introductory comment is noted.

Response B-2: This comment states that the proposed project does not meet the required parking ratio. As stated on page 1-14 of the Draft IS/MND, the proposed project includes a request for approval of a Major Modification to the existing Planned Development to allow less than the required number of parking spaces. This request will be considered by City decision-makers. This comment does not relate to the adequacy of the information or analysis in the Draft IS/MND. No further response is required.

- Response B-3: As noted on pages 3-65 through 3-79 of the Draft IS/MND, the proposed project would not result in any significant impacts to level of service (LOS) under existing, background, or cumulative conditions at study intersections or arterials segments within the vicinity of the project site.
- As noted on page 3-81 of the Draft IS/MND, parking-related impacts, such as insufficient parking supply to meet demand, are not considered impacts under CEQA.
- Response B-4: As noted on pages 3-27 through 3-31, the proposed project would not result in any significant impacts related to geology and soils. As discussed in Mitigation Measure GEO-1 on page 3-27, a design-level geotechnical investigation will be required to be prepared once site development plans are final, consistent with City requirements.
- As noted on page 3-38 of the Draft IS/MND, a Phase I Environmental Site Assessment (Phase I ESA) was prepared for the project site. The Phase I ESA identified one historical recognized environmental condition (historical REC) associated with the removal of three underground storage tanks (USTs) that were removed in 1991. However, case closure was issued by the San Francisco Bay Regional Water Quality Control Board (Water Board) in 1994 for site assessment and by the California Department of Toxic Substances Control (DTSC) in 1996 for remediation. Therefore, any potential subsurface contamination associated with these USTs appears to have been adequately assessed and remediated, and thus the proposed project would not expose workers and/or the public to potentially contaminated soils during construction.
- Response B-5: This comment questions whether a Cal Recycling exemption has been granted for the existing recycling center on the site. This comment does not relate to the proposed project or the adequacy of the information or analysis in the Draft IS/MND. No further response is required.
- Response B-6: As noted on page 3-18 of the Draft IS/MND, 17 existing trees on the project site would be removed and 21 new trees would be planted as a part of the proposed project. All of the trees that would be removed would be classified as protected pursuant to the City's Tree Preservation Ordinance as they were installed pursuant to a condition of approval for the original development of the site. The City's Tree Preservation Ordinance requires all protected trees that are removed to be replaced with like-size, like-kind trees or an equal value tree or trees. An Arborist Report prepared for the project site, which is included in Appendix B of the Draft IS/MND, determined the removed trees would be valued at \$14,220 and that the trees planted on the project site would have a value of \$15,380.

Therefore, the proposed project would not conflict with any local policies or ordinances protecting biological resources, and this impact would be less than significant.

As discussed in the Arborist Report provided in Appendix B of the Draft IS/MND, tree species on the project site include Bradford Pear (*Pyrus calleryana* 'Bradford'), Raywood Ash (*Fraxinus oxycarpa* 'Raywood'), Evergreen Pear (*Pyrus kawakamii*), London Plane (*Platanus acerifolia*), Aristocrat Pear (*Pyrus calleryana* 'Aristocrat'), and Peppermint Gum Eucalyptus (*Eucalyptus nicholii*).

- Response B-7: As noted on page 3-12 of the Draft IS/MND, emission estimates for operation of the proposed project were calculated using the California Emissions Estimator Model (CalEEMod). Model results indicate that the proposed project would not exceed the Bay Area Air Quality Management District's (BAAQMD) significance criteria for daily reactive organic gases (ROG), nitrogen oxide (NO<sub>2</sub>), or particulate matter (PM<sub>10</sub>, PM<sub>2.5</sub>). In addition, the primary emissions associated with the project are regional in nature, meaning that air pollutants are rapidly dispersed on release or, in the case of vehicle emissions associated with the project; emissions are released in other areas of the Air Basin.
- Response B-8: This comment states that gas stations in the surrounding area will close once the proposed project is in operation. This comment does not relate to the adequacy of the information or analysis in the Draft IS/MND. No further response is required.
- Response B-9: As noted on page 3-80 of the Draft IS/MND, fuel trucks would access the fuel station by entering and turning right at the signalized driveway on Hathaway Avenue. Trucks would access the fuel station from the north and fill outside of the queueing area. Trucks would then exit the site by turning left at the signal on Hathaway Avenue. The proposed project has been designed to provide an appropriate path for the fuel trucks between Hathaway Avenue and the fuel station. The fuel station was located to allow fuel delivery trucks to circulate the site without impacting the business center delivery trucks and members entering the business center.
- Response B-10: The proposed project would not include any changes to the access for the existing businesses to the north of the project site that shares a driveway with the Costco Business Center site. In addition, the existing driveways would be located outside of the queuing area for the fuel facility. As noted in the Transportation Assessment Memorandum included in Appendix D to the IS/MND, with 24 fueling positions and on-site area for up to 35 vehicles to queue, the proposed project is anticipated to contain the maximum queue within the queueing area.

Additionally, the proposed project is located such the queue storage would be oriented away from access points, preventing conflict with operations of the existing business to the north or Hathaway Avenue.

- Response B-11: The revisions to the proposed project that have been made or agreed to by the project proponent consist of the mitigation measures included in each topical section of the Initial Study. Additionally, each of the mitigation measures are listed on page 3-91 of the Draft IS/MND. A Mitigation Monitoring and Reporting Program (MMRP), which lists each of the potential impacts and the corresponding mitigation measure, has been prepared to comply with the requirements of Public Resources Code Section 21081.6. State law requires the Lead Agency to adopt an MMRP when mitigation measures are required to avoid significant impacts. The MMRP is intended to ensure compliance with the mitigation measures identified in the IS/MND during implementation of the project.
- Response B-12: This comment concerns the merits of the project and does not relate to the adequacy of the information or analysis in the Draft IS/MND. No further response is required.
- Response B-13: This comment concerns the merits of the project and does not relate to the adequacy of the information or analysis in the Draft IS/MND. No further response is required.
- Response B-14: Please refer to Response B-8.
- Response B-15: Please refer to Response B-3 and B-10. In addition, as noted on page 3-65 of the Draft IS/MND, a peer review of the TIA was prepared, which is included as Appendix E of the Draft IS/MND.
- Response B-16: Please refer to Response B-3 and B-10.
- Response B-17: Please refer to Response B-3.
- Response B-18: Please refer to Response B-3 and B-10. Additionally, as noted on page 3-80 of the Draft IS/MND, the current exit width is consistent with Costco's standard fuel facility exit width and allows larger vehicles, such as RVs, to exit the facility without conflict.

**ATTACHMENT A**

**COMMENT LETTERS**



October 11, 2019

Marcus Martinez, Associate Planner  
City of Hayward, Development Services Department  
777 B Street  
Hayward, CA 94541

Re: Notice of Intent to Adopt a Mitigated Negative Declaration and Mitigation  
Monitoring and Reporting Program – Costco Business Fuel Facility Hathaway  
Avenue, Hayward

Dear Mr. Martinez:

East Bay Municipal Utility District (EBMUD) appreciates the opportunity to comment on the Mitigated Negative Declaration for the Costco Business fuel facility located at 22330 Hathaway Avenue in the City of Hayward (City). EBMUD has the following comments.

1

The proposed project is located outside of EBMUD's service boundary. To the south of the project location, a crucial EBMUD regional intertie and pipeline are located in the right-of-way along the north side of West A Street. As proposed, the project will not affect this intertie located within the right-of-way. However, if the project plans change to include expansion into this area, please contact EBMUD for information. EBMUD has no other comments regarding environmental issues for this project.

2

If you have any questions concerning this response, please contact Timothy R. McGowan, Senior Civil Engineer, Major Facilities Planning Section at (510) 287-1981.

Sincerely,

A handwritten signature in blue ink that reads 'David J. Rehnstrom'.

David J. Rehnstrom  
Manager of Water Distribution Planning

DJR:DWG:sjp  
sb19\_201 Costco Business Fuel Facility Hathaway Avenue

cc: Barghausen Consulting Engineers  
18215 72<sup>nd</sup> Avenue South  
Kent, WA 98032

**Letter  
B**

**From:** daljit singh <[REDACTED]>  
**Sent:** Wednesday, October 2, 2019 11:50 AM  
**To:** Marcus Martinez <[Marcus.Martinez@hayward-ca.gov](mailto:Marcus.Martinez@hayward-ca.gov)>  
**Subject:** Costco Business Fuel Facility Public Comment CEQUA

Hello Marcus,

thank you for your time in regards to hear my concerns about the proposed Gas station at the Costco Business Center located at 22330 Hathaway Avenue. To keep this as brief as possible I have chosen to make a list below of my concerns. I have some questions that have an asterisk as they are not quite CEQUA questions but more for the City of Hayward Council Please confirm receipt of this email. Also please let me know how and when these questions will be answered.

- 1. Parking to Building square footage ratio at 3.44 per 1,000 sqft of building does not meet the required ratio of 4. 1
- 2. Taking away 105 parking spots and doubling traffic to the site. Will lead to a shortage of parking spaces and traffic jams which will be unsafe. 2
- 3. No geotechnical soils report or remediation plan for repair shop was provided. Pollutants will be found in soil below the Tire Center as oil stains were visible when open. Costco should be responsible for installing remediation wells/pumps. 3
- 4. Has the Cal Recycling exemption been granted for the recycling center? 4
- 5. What species are the 24 Mature trees being removed and are they on a protected list? 5
- 6. The report states that the closest house is 400 ft away from the nearest fuel pump however the ques described in the CEQUA report leading to the pumps state that when full they could reach 126 feet long. Has the noise/air pollution level been tested from the end of the proposed fuel line to the closest home. The tailpipe of the last car in line will be roughly 250 feet away from the closest home. 6
- 7. Has the city thought about the job losses/station closures from the several gas stations nearby which will occur when the Costco Business center fuel station has opened. The costco business center does not bring one job to the community. 7
- 8. What will happen to the long lines at the pumps when a fuel delivery truck is onsite. If a delivery is made during business hours traffic jams will certainly happen. As the pumps will be blocked by the delivery truck. There are no guarantees that deliveries will be made off hours as the market itself cannot be forecasted refinery outages in california happen often. 8
- 9. What will the protocols be when deliveries are being made at MSI international which shares the entrance with Costco 18 wheelers will have to maneuver in tight traffic and if the lines are longer than anticipated there could be safety concerns. 9
- 10. The preparer of the CEQUA report states and I quote " I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared." My question is what are the revisions to the plan which are going to save the Hayward from a significant environmental impact please list them clearly. 10



\*11. What does the city gain in cannibalizing local businesses for a multi billion dollar corporation? | **12**

\*12. As global temperatures increase and global warming becomes more of an issue what kind of example is the City of Hayward setting for the bay area? | **13**

\*13. My company sacrificed a large area of our location to add a Hydrogen fueling station and the City of Hayward got national recognition and touted itself as being green. If I knew a Costco gas station was going to be built down the street I would have allocated the space for more fueling pumps or a larger car wash after 15 years of being in Hayward as a business owner I cannot help but feel betrayed by the city of Hayward like most other gas station owners who are going to lose substantial business if this project is approved. | **14**

14. The parking stalls labeled as number 9,6,13,19 on the submitted plans will not be accessible if this Fueling facility performs like most other Costcos. Patrons will either be blocked in if a traffic jam at the pump occurs or just wont be able to access the stalls leading to further confusion and traffic jams. The traffic flow will not be sufficient or efficient as the main artery is being shared with patrons only going to the Costco business center. On days when sales are being held there is barely any room to maneuver in the parking lot. I highly suggest getting a third party to due a traffic study. | **15**

15. The total length for the fuel queue is roughly 125 which is only enough for roughly 6 cars per line please see the existing Costco gas station in Hayward where lines are usually 15 cars per queue. Although this is touted as a business center Costco is obviously trying to get more regular non business customers in to this location. Over time they will change SKUS in the store for a wider customer base. | **16**

16. Parking is a major concern as the business owners who frequent this location take longer to gather and exit this location when compared to regular costco customers thus stalls will be occupied for a longer time. There can be no comparison as I dont believe any other Costco Centers have fueling stations probably for the many reasons I am bringing up here. | **17**

17. The exit of the fueling Island will most certainly have a bottleneck traffic issue as it exits into the main traffic artery thus making the lines longer at the beginning of the queue which will again effect customers parked in section 9,6,13, and 19. | **18**

Daljit singh